

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

MIHAIL CUPCEANU,

Case No.: Number

Plaintiff,

COMPLAINT

VS.

AUSTIN ZELAN, MARCEL ZELAN,
WESTGATE FUND, ALPHANANCE
GLOBAL, ALPHANANCE LIMITED
PARTNERSHIP, DAVID ANDERSON,
EDDIE SOSA, LAUREN D, AND OTHER
JOHN AND JANE DOES
Defendants

COMPLAINT

Plaintiff Mihail Cupceanu, by and through his attorneys, Rossi & Co., P.C., alleges as follows:

1. Venue is proper in this Court because this is a matter of Federal Law as a multi-state Federal Securities Fraud violation with damages exceeding \$75,000.

25 2. Austin Zelan is an individual who, upon information and belief, lives in the
26 Westin Hotel in Bellevue, Washington.

3. Marcel Zelan is an individual who lives in Renton, Washington.

4. Defendant Alphanance Limited Partners is an Oregon entity.

1 5. Defendants engaged and continue to engage in the multi-state illegal sales of
2 securities by unlicensed brokers in Oregon and Washington, among other states.

3 6. Defendant Alphanance is an Oregon company not registered in Washington as a
4 foreign organization doing business in Washington.

5 7. Austin Zelan, Marcel Zelan, Alphanance, and Westgate will hereafter be referred
6 to as the Zelan Family and, together with their co-conspirators, will be called the Zelan
7 Organization.

8 8. The individual defendants not part of the Zelan Family, including David
9 Anderson, Eddie Sosa, Lauren D, and other JOHN AND JANE DOES, are not licensed securities
10 brokers and work as salesmen and agents for the Zelan Organization.

11 9. Plaintiff is a resident of Washington State, an unsophisticated investor, and a
12 recent immigrant from Moldova who works as a FedEx delivery subcontractor employee.

13 10. The Defendants, including the Zelan Family, the Zelan Organization, and the
14 individual defendants, operate an illegal and fraudulent “dare to be great” investment scheme
15 that violates, among other laws, Federal and State (Oregon and Washington) Securities Laws
16 prohibiting the sale of unregistered and non-exempt securities in the form of investment
17 contracts praying on unsophisticated investors.

18 11. The Zelan Organization purports to run a business "coaching" or "mentoring"
19 company to assist unsophisticated working-class individuals to succeed by working three to four
20 hours a week and making vast amounts of money on passive income investments.

21 12. The entire operation is a fraudulent scheme preying on unsophisticated victims by
22 employing unlicensed high-pressure brokers selling unregistered securities violating Federal and
23 State laws, and as part of a massive high-pressure sales fraud.

24 13. In the fall of 2022, Plaintiff met Defendant David Anderson and others at the
25 Zelan Organization at his church. Plaintiff was induced to participate in Defendant's services by
26 Defendant's purported affiliation with his church.

27
28
COMPLAINT FOR SECURITIES FRAUD AND COMMON FRAUD

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1 14. Defendant represented to Plaintiff that he could help Plaintiff create an Airbnb,
 2 exotic car rental, expensive watch, or similar operation and help with the payments to create and
 3 set up the Airbnb operation.

4 15. Austin Zelan has put together a marketing and lead operation that consists of a
 5 TedTalk (which is uncompensated - anyone can do one for free) and Forbes BrandVoice (which
 6 is an unvetted paid online advertisement in what Forbes Magazine calls a “marketing brand”)
 7 piece.

8 16. The Forbes articles Zelan posts online touting his investment scheme are marked
 9 “BrandVoice,” which Forbes Magazine’s advertising department uses to describe its unvetted
 10 advertising program. These marketing techniques are a dodgy way for Zelan to reach Forbes
 11 readers and present marketing materials to potential victims. Zelan wrote the copy for the
 12 “article” himself to look like a Forbes Magazine journalist vetted Zelan and wrote the article.
 13 That Zelan presents this material as though Zelan has been interviewed and vetted by Forbes is
 14 just one of many indicia of fraud and is evidence that Zelan is a fraudster and scam artist preying
 15 on an unsophisticated public.

16 17. The way the Zelan scheme works is the “investor” is offered a “minimum buy-
 17 in” to get “access” to Zelan’s “secrets and tools” of \$10,000, which goes up to \$40,000 for the
 18 quickest returns. The sales videos, material, and salesman pitch tell its “Investors” the Zelan
 19 organization will invest side by side its own money into the investments the victim/Investor is
 20 expected to create using the Zelan Family’s “secrets and tools.”

21 18. The victim Investor is encouraged to put the purchase price of the “investment”
 22 on a credit card and pressure the victim by offering them a “deal on the deal they are already
 23 offering, for today only.” The sales pitch suggests Zelan’s operation does not care whether you
 24 “partner” up with them; they don’t need your money. But they have no intention of “partnering”
 25 or matching the investments invested by the investor in new projects as intentionally represented
 26 in its sales pitch. All that is being offered is a series of YouTube-type canned videos found
 27 elsewhere on the internet for free. And the suggestion that the Zelan group will invest side-by-
 28 side with the victim is a fraud.

19. Defendants pressured Plaintiff into borrowing \$40,000 to pay Defendant by coaching him through setting up a credit card loan with an entity Defendant recommended, www.fiona.com, at a 27% annual APR rate.

20. The Plaintiff sent the borrowed \$40,000 to a bank account owned by an entity controlled by the Zelan Family in Oregon.

21. The Zelan Organization promised to provide Plaintiff with the following services:

- i. Help Plaintiff find properties to rent for the Airbnb operations;
- ii. Help Plaintiff pay the lease and furnishings of the properties;
- iii. Help Plaintiff set up the Airbnb listings;
- iv. Help Plaintiff market the Airbnb listings; and
- v. Help Plaintiff manage the Airbnb listings.

22. Defendants failed to provide any of the promised services. Defendants fraudulently failed to disclose that in most cities (like Bellevue) and for most landlords, setting up such an Airbnb operation is not allowed by law or the lease contract. As a result of Defendant's fraud, Plaintiff has lost his entire "investment."

FRAUD, FRAUD IN THE INDUCEMENT, SECURITIES FRAUD, PUNITIVE DAMAGES

23. The actions of the Zelan Organization jointly and severally by its members constitute a scheme or artifice to defraud investors with the false representation that the proposed business activities (Airbnb or other such investment schemes) will be legally possible and sufficiently profitable to cover the 27% APR on the credit card loan to make the initial securities purchase.

24. The actions of the Zelan Family and the Zelan Organization constitute a security in the form of an investment contract where the investor relies upon the efforts and expertise of the issuer (Zelan) to make a profit and hence is the sale of an unregistered or non-exempt security, by an unlicensed securities broker.

25. The investment contract is a Securities Law violation because it is unregistered and otherwise not exempt from Federal and State securities laws.

26. Plaintiff is entitled to recovery of his \$40,000, treble damages for fraud, and his attorneys' fees.

FRAUD

27. Defendants committed fraud by making false representations of material facts with knowledge of their falsity and intent to defraud Plaintiff. Plaintiff justifiably relied on these misrepresentations and suffered actual damages as a result. Defendants' conduct constitutes fraud and entitles Plaintiff to relief under the law. Plaintiff made:

- a. A misrepresentation of a material fact.
- b. With the knowledge that the material fact was false.
- c. With the intent to defraud.
- d. Plaintiff was justified in relying on the misrepresentation.
- e. He incurred actual damages resulting from the reliance.

WHEREFORE, Plaintiff prays for judgment against Defendant in the amount of \$40,000, his interest expense, treble damages, attorney's fees and costs, punitive damages, and for such further and other damages as are deemed warranted by the court for Defendant's fraud.

Dated this ____ day of June 2023

Ronald G. Rossi
Rossi & Co, P.C.